

TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF an application for registration of Trade Mark No. 224939 and in the matter of an Opposition thereto.

HENRY J ARCHER & SONS LIMITED

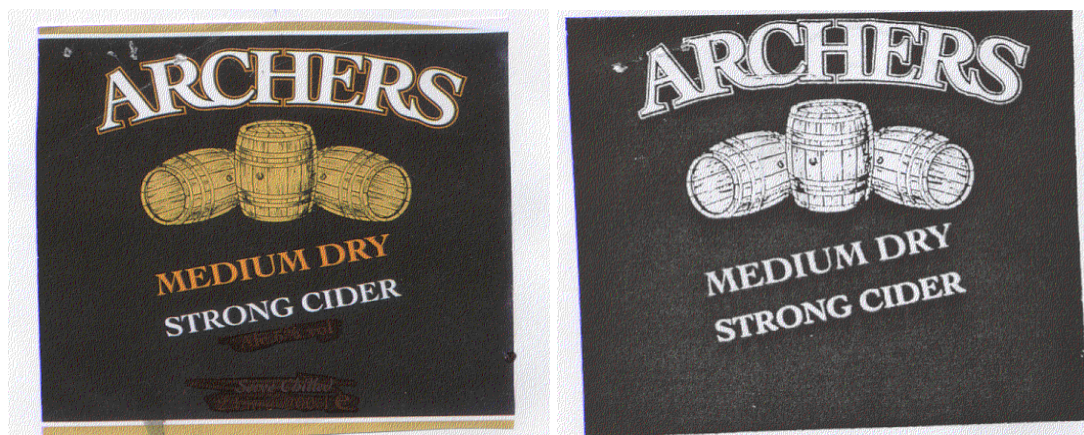
Applicant

DIAGEO BRANDS B.V.

Opponent

Application for registration

1. On 7 February, 2000, Henry J Archer & Sons Limited of P.O. Box 99, Gorey, Co. Wexford made application (No. 2000/00433) under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register the series of two marks shown below as a trade mark in respect of goods in Class 33, namely, “*cider and flavoured ciders included in Class 33*”.



2. The application was accepted for registration and advertised accordingly under No. 224939 in Journal No. 1955 on 13 November, 2002. The advertisement of the series of marks carried notings to the effect that, (i) the first mark in the series was in the colours black, white, gold (Pantone 871C) and yellow (Pantone 8962C) and the second mark in the series was in black and white and, (ii) the mark was proceeding on the basis of honest concurrent use with Trade Mark No. 171136.

3. Notice of opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 12 February, 2003 by Guinness United Distillers & Vintners B.V. (now known as Diageo Brands B.V.) of Molenwerf 10-12, 1014 BG Amsterdam, The Netherlands. The Applicant filed a counter-statement on 14 April, 2003 and evidence was subsequently filed by the parties under Rules 20, 21 and 22 of the Trade Marks Rules, 1996 (“the Rules”).
4. The matter became the subject of a Hearing before me, acting for the Controller, on 31 May, 2007. The parties were notified on 25 June, 2007 that I had decided to uphold the opposition and to refuse registration of the series of marks. I now state the grounds of my decision and the materials used in arriving thereat in response to a request by the Applicant in that regard pursuant to Rule 27(2) filed on 12 July, 2007.

Scope of the opposition

5. The opposition is based on the Opponent’s proprietorship and claimed use of a number of registered trade marks (see Appendix I), most of which consist of or contain the word ARCHERS. On the basis of those earlier trade marks, the Opponent raises objection against the present application under Section 10 of the Act, specifically Section 10(2)(b) and Section 10(4)(a). The notice of opposition includes grounds of opposition under other sections of the Act also but these were not properly particularised and substantiated nor pursued in argument on behalf of the Opponent at the hearing and I am satisfied that they may be disregarded.

The evidence¹

Rule 20

6. Evidence submitted by the Opponent under Rule 20 consisted of a statutory declaration (and Exhibits 1-10), dated 12 July, 2004 of Oliver Loomes, Marketing Controller of Spirits of Diageo Ireland, a sister company of the Opponent, both being wholly-owned subsidiaries of Diageo Plc.. He says that,
 - the Opponent has sold peach schnapps under the name ARCHERS in the State since 1986,

- sales amounted to more than 150,000 9-litre cases in the period 1986-1997 and more than 215,000 9-litre cases in the period 1998-2003,
- in the period 2000-2003, €1.28million was spent on promoting the ARCHERS brand, principally through advertisements and promotional offers in pubs and bars.

Rule 21

7. Evidence submitted by the Applicant under Rule 21 consisted of a statutory declaration (and Exhibits 1-5) dated 25 November, 2005 of Mary Rose O'Connor, Trade Mark Agent of Cruickshank & Co., the Applicant's Agents. She says that,

- in 1981 Mr. Paul Dubsky and Mr. Tony Cleary adopted the trade mark ARCHERS for use in relation to cider to be sold in Ireland and the United Kingdom,
- the name was chosen for its association with the BBC Radio programme, The Archers, which was known as a rural family programme based in "traditional cider country" and in subliminal association with STRONGBOW, a competitor cider brand,
- the trade mark was first used by West End Wine Co. Limited, whose trading name, St. Stephen's Wine Cellars, was printed on labels of the product, which was sourced from Belgium,
- the name Henry J Archer & Sons was conceived in about 1984 and was registered in Ireland in 1987 and a limited liability company bearing that name was established in 1988,
- in 1985 a major promotional campaign was run for Archers Cider and sales of the product in Ireland in the following year were approximately 25,000 cases,

¹ review of the evidence confined to assertions of relevant fact

- in 1987-88 the Cider Industry Council was formed in Ireland and Henry J Archer & Sons Limited was a founder member,
- in 1989 production was extended to flavoured sparkling cider, which the Applicant promoted at a cost of approximately £25,000,
- distribution of the product from 1989-1994 was by M & J Gleeson Limited and from 1994-1998 by Barry C & C, Mallow, Cork,
- there were no sales of Archers Cider in Ireland in 1999 and 2000 but a new cider blend was placed on the market towards the end of 2000.

Rule 22

8. Evidence submitted by the Opponent under Rule 22 consisted of a statutory declaration (and Exhibits RE1-RE3) dated 26 September, 2006 of Roger Evans, Intellectual Property Counsel of Diageo Plc., which does not add significantly to the facts previously put in evidence by the Opponent.

The hearing – objection to Applicant’s evidence

9. At the hearing the Opponent was represented by Paul Coughlan BL, instructed by Tomkins & Co., Trade Mark Agents and the Applicant by the aforementioned Ms. O’Connor. At the outset, Mr. Coughlan asked me to find that the Applicant’s evidence was inadmissible in its entirety and to completely disregard it in considering the merits of the opposition against the application for registration. He argued that Ms. O’Connor’s statutory declaration consisted entirely of hearsay, that the facts to which she averred were not, and could not be, within her own knowledge, that the source of her claimed knowledge of those facts had not been properly disclosed and that no explanation had been offered as to why evidence had not been given by a director or other officer of the Applicant who was in a position to make the relevant averments and to be tested, if necessary, as to their veracity. In reply, Ms. O’Connor stated that she had made the statutory declaration on behalf of the Applicant because she was faced with a deadline imposed by the Office for finalising and filing the Applicant’s evidence under

Rule 21 and, in any event, she was very familiar with the Applicant's business and had access to the relevant records so that she felt perfectly capable of making the relevant averments as to matters of fact concerning the history of the development of the ARCHERS brand by the Applicant and its predecessor companies.

10. Having considered the objection and Ms. O'Connor's reply, I indicated to the parties' representatives that I agreed with the Opponent that the evidence filed on behalf of the Applicant was inadmissible in its entirety and would have to be treated accordingly. I indicated also that the proper course of action in the circumstances seemed to be to adjourn the proceedings to allow the Applicant to put in evidence in support of its application which would have to be given by a person who was in a position to do so, for example, Mr. Dubsy, who was referred to in the statutory declaration made by Ms. O'Connor and who was present at the hearing. At that, Mr. Coughlan requested a short adjournment to allow for consultation with his instructing Agents, following which he informed me that the Opponent had decided to withdraw its objection against the admissibility of the Applicant's evidence in order to avoid any further delay in the conduct of the proceedings and in the belief that its opposition should succeed regardless of the matters claimed as facts in Ms. O'Connor's statutory declaration. While I did not regard it as desirable that unsound evidence as to matters of fact should be taken into account in determining opposition proceedings before the Controller, I agreed to proceed with the hearing on the basis of the Opponent's withdrawal of its objection and on the understanding that the treatment of this case should not be regarded as a precedent for the acceptance of hearsay evidence in such proceedings.

Grounds of decision

Section 10(2)(b) – likelihood of confusion

11. Section 10(2)(b) of the Act prohibits the registration of a trade mark if, because it is similar to an earlier trade mark and would be registered for goods or services in respect of which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association of the later trade mark with the earlier trade mark. In its notice of opposition the Opponent has cited a number of trade marks that constitute "earlier trade marks"

within the meaning of the Act as against the present application for registration but it is convenient to consider only Registration No. 171136 in respect of the word mark ARCHERS, which is protected for goods in Class 33, namely, wines spirits and liqueurs.

12. The marks making up the series propounded for registration are clearly similar to that earlier trade mark because the earlier trade mark is reproduced in its entirety within them and is, in fact, the distinctive and dominant component of them. The overall identity of the series of marks is created by the word ARCHERS and it is by that word that the average consumer would be likely to identify and recall the series of marks. The other elements appearing within them are simply ordinary descriptive terminology (MEDIUM DRY STRONG CIDER), which is entirely non-distinctive of the goods of a single undertaking only, and commonplace imagery (the device of barrels), which has only a low level of distinctiveness in the context of the relevant goods.
13. The goods of the present application are also clearly similar goods to those in respect of which the earlier trade mark is protected. Apart from the fact that they fall within the same Class, they share the same nature (*alcoholic beverages*), purpose (*for recreational drinking*), consumers (*aimed at all persons of legal age*) and channels of trade (*sold through licensed premises and off-licenses*) and they are competing products insofar as the targeted consumer may choose one in preference to the other. Of course, a cider is not a wine, a spirit or a liqueur and it is fair to assume that the average person knows that its ingredients and methods of production are different to those other beverages. However, for the purposes of the proceedings, which call for a comparison of the goods in the context of the assessment of likelihood of confusion on the part of the public, I am satisfied that the respective goods should be regarded as highly similar.
14. The basic ingredients of an objection under Section 10(2)(b) of the Act – *earlier trade mark, similar marks, similar goods* – are, therefore, all present in this case and the only question is whether, as a consequence, there is a likelihood of confusion on the part of the public. The confusion in question is, of course, confusion as to commercial origin whereby the consumer, being familiar with

goods sold under the earlier mark and because of the similarity in the respective marks, attributes to the goods offered under the mark seeking registration the qualities and characteristics that he associates the earlier trade mark as experienced by him through goods marketed under that brand. Contrary to the submissions made at the hearing on behalf of the Applicant, it is not a question of whether the average consumer would be likely to actually mistake goods of the kind covered by the application for registration with those in respect of which the earlier mark stands protected. In other words, the question is not whether a person who sets out to purchase schnapps will end up buying cider instead, simply because the latter product is marketed under a similar brand name. In my view, it is a gross misrepresentation of the purpose and effect of the prohibition on registration effected by Section 10(2)(b) of the Act to suggest that that is the test under the Section.

15. Correctly stated, the question is whether the average person, who knows of wines, spirits or liqueurs sold under the name ARCHERS and who then finds cider or flavoured cider offered for sale under the ARCHERS label trade mark propounded for registration, would assume that the latter goods were connected with the former in the sense that they were both put on the market by the same undertaking or by commercially related undertakings. In my view, there can be no doubt whatsoever but that the answer is a resounding “yes”. The word ARCHERS is, in essence, the brand identifier of both marks and it is inconceivable that consumers would make a distinction between them because they found them used in relation to different kinds of alcoholic drinks. In this regard, I consider the Opponent’s earlier trade mark to be a perfectly distinctive mark for goods of the kind in respect of which it stands registered, notwithstanding that it is both an ordinary dictionary word and a surname. In my opinion, it is not a word or name that the average consumer would expect to find used simultaneously by two different undertakings, one in relation to a wine, spirit or liqueur and the other in relation to a cider. The almost inevitable consequence of such simultaneous use of the respective marks would be confusion on the part of consumers and the application for registration must therefore be refused under Section 10(2)(b) of the Act.

Section 10(4)(a) – use liable to be prevented by virtue of law of passing off

16. Section 10(4)(a) of the Act prohibits the registration of a trade mark the use of which is liable to be prevented by virtue of any rule of law protecting an unregistered trade mark or other sign used in the course of trade, in particular the law of passing off. Given my finding above to the effect that the mark propounded for registration is confusingly similar to the Opponent's trade mark ARCHERS and having regard to the Opponent's evidence of extensive use of that mark in the State in relation to schnapps over a prolonged period, there is no doubt in my mind but that the use in relation to cider of the mark seeking registration would have been liable to be prevented through an action for passing off as of the relevant date, i.e., the date of filing of the application for registration. Therefore, the opposition under Section 10(4)(a) must also succeed.

Honest concurrent use

17. As noted above, the present application was accepted and allowed to proceed to advertisement on the basis of honest concurrent use of the marks in the series with the Opponent's earlier trade mark registered under No. 171136. At the hearing, Mr. Coughlan asserted that, by virtue of Section 12(2) of the Act, the opposition brought by the Opponent against the application for registration and based on its proprietorship of that earlier trade mark makes refusal of the application mandatory so that, faced with that opposition, the Controller has no discretion to allow the series of marks to proceed to registration. Ms. O'Connor argued that the effect of Section 12 of the Act was to grant discretion to the Controller to allow registration in cases of honest concurrent use and that the opposition brought by the Opponent must be judged on its merits in the normal way. In my opinion, the interpretation given by Mr. Coughlan must be regarded as being the correct one, for the following reasons.

18. The relevant parts of Section 12 of the Act provide as follows:

12.-(1) This section applies where on an application for registration of a trade mark it appears to the Controller –

- (a) *that there is an earlier trade mark in relation to which any of the conditions set out in subsections (1) to (3) of section 10 obtains, or*
- (b) *that there is an earlier right in relation to which the condition set down in section 10(4) is satisfied,*

but the applicant shows to the satisfaction of the Controller that there has been honest concurrent use of the trade mark for which registration is sought.

(2) In a case to which this section applies, the Controller shall not refuse the application by reason of the earlier trade mark or other earlier right unless objection on that ground is raised in opposition proceedings by the proprietor of that earlier trade mark or other earlier right.

(3) For the purposes of this section “honest concurrent use means such use in the State, by the applicant or with his consent, as would formerly have amounted to honest concurrent use for the purposes of section 20(2) of the Trade Marks Act, 1963.

19. It is clear, first of all, that the question of honest concurrent use only falls to be considered in circumstances in which the Controller is of the view in a given case that one or more of the grounds for refusal of an application set out in Section 10 of the Act obtains. In that event, the provisions of Section 42(2) and (3) apply, whereby the Controller informs the Applicant that the requirements for registration do not appear to be met and affords a period of time within which to make representations or to amend the application so as to meet the requirements for registration. If, at the end of the period in question, the applicant fails to satisfy the Controller that the requirements for registration have been met, the Controller ***shall refuse to accept the application*** (Section 43(3)). The exception is in the case of honest concurrent use, in which case Section 12(2) effectively excuses the Controller from his duty to refuse an application under Section 10 of the Act. However, the Controller is excused from refusing the application under Section 10 only ***unless objection on that ground is raised in opposition proceedings by the proprietor of the earlier trade mark or other earlier right***. In

the latter event, the Controller is effectively placed once more under the duty that previously required him to refuse the application. In essence, therefore, the provision whereby “*the Controller shall not refuse the application ... unless objection ... is raised in opposition proceedings*” equates to, and must be interpreted as, a requirement that “*the Controller shall refuse the application ... if objection is raised in opposition proceedings*”. In other words, refusal of the application is mandatory in that scenario.

20. It seems to me that the logical procedural consequence of the foregoing analysis is that, when an application for registration that has been accepted on the basis of honest concurrent use with a specified earlier trade mark encounters an opposition based on that earlier mark, the opposition proceedings should not go ahead in the normal way, involving the filing of evidence and the holding of a hearing. Rather, the Controller should inform the Applicant that the application is refused under the relevant provision of Section 10 of the Act, thereby obviating the need for further action in relation to the opposition and the attendant expense to the parties, the Opponent in particular. By agreeing to accept for advertisement an application for registration only on the basis of honest concurrent use with an earlier trade mark, the Controller is effectively declaring that the application for registration is objectionable under the relevant provision of Section 10 of the Act and it makes no sense to have that question raised and considered afresh in opposition proceedings before the Controller. Similarly, an applicant who agrees to the advertisement of his application on the basis of honest concurrent use with an earlier trade mark is effectively accepting the Controller’s finding that the application would otherwise fall to be refused under the relevant provision of section 10 and cannot subsequently dispute that fact in the context of opposition proceedings. I am satisfied, therefore, that a procedural change is called for in the management by the Office of cases such as this. That change will be put in place forthwith.

21. As far as the present case is concerned, it will be obvious that my finding in relation to the honest concurrent use question effectively obviates the need for consideration of the merits of the opposition under Section 10(2) and Section 10(4) and renders the decision on those aspects redundant and without point. I



have given the decision and my reasons for it in the way that I have both because that was the order in which the matter came to be argued before me at the hearing and because I may, of course, be found to be wrong on the question of the interpretation of Section 12 and the effect of that Section on the conduct of subsequent opposition proceedings. Lest there should be any doubt, I confirm that I regard refusal of the application as mandatory by virtue of Section 12(2) of the Act.

Tim Cleary
Acting for the Controller

30 July, 2007

Opponent's trade marks mentioned in Notice of Opposition

No.	Mark	Filing Date	Class(es)	Goods
171136	ARCHERS	15/02/1995	33	Wines, spirits and liqueurs
153258	ARCHERS PEACH COUNTY	10/12/1992	33	Wines, spirits and liqueurs
124966		04/03/1987	33	Peach flavoured schnapps
CTM 002062412	ARCHERS	31/01/2001	33	Beverages alcohol: wines, spirits and liqueurs
CTM 000391268		30/09/1996	33	Wines, spirits and liqueurs

No.	Mark	Filing Date	Class(es)	Goods
CTM 000431205		03/01/1997	33	Wines, spirits and liqueurs
CTM 002410686	ARCHERS AQUA	15/10/2001	33	Alcoholic beverages: wines, spirits, liqueurs
217954		01/07/1996	33	Wines, spirits and liqueurs

² mark consists of 3-dimensional shape of bottle having specific features